G. R. S. App. F. IX-4]

1947-48 (T. B.)

File No. 349-47

Previous References.

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Serial Nos. 1

Later References.

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P

GENERAL AND REVENUE SECRETARIAT

Serial Nos. one

Part B for April 1948

SUBJECT.

Notes of discussions at Delhi by the Chief Secretary with the Ministries of the Government of India between the 13th and the 18th March 1948.

Lodged 28.4.48

A.C.V. Murthy

C. B. 349-47-1.

C 1116

General and Revenue
Secretariat.

WD 01509—GPB—500—4-12-47

SUBJECT:—

Notes of discussions at Delhi by the Chief Secretary with the Ministries of the Government of India between the 13th and the 18th March 1948.

Circulated to Council of Ministers for perusal of His Highness' orders ~~before/after issue of orders.~~

Udayarshaw
Chief Secretary to ~~Government~~.
7/4

Through the Secretary to Government,
C. B. Department.

1. Chief Minister. (Seen)
2. Minister for Finance and Industries. 3073 8/4/48 H.C.D 9/4
3. Minister for Law and Labour. 5169 12-4-48 12/4
4. Minister for Public Works and Agriculture. 4559 13/4/48 13/4
5. Home Minister. 4367 14/4/1948 14/4
6. Minister for Local Self-Government. 2150 15.4.48 15/4/48
7. Minister for Public Health and Excise. 2551 16.4.48
8. Minister for Education. 2655 16/4 16/4
9. Minister for City Municipalities and Muzrai. 2052 19/4/48 20/4/48

B. 7012 26/4

NOTE.—Contn. sheet

Secretary to Government,
C. B. Department
26.4.48 with compliments

C 1116.

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Notes of discussions at Delhi by the Chief Secretary with the Ministries of the Government of India between the 13th and the 18th March 1948.

Chief Secy

Rica 996
5/4

WP
5/4

Order.

3/4/48.

Submitted to His Highness

With a view to expediting the disposal of several outstanding matters of importance pending with the Government of India, the Chief Secretary to Government visited Delhi between the 13th and the 18th instant. The results of the personal discussions with the officers of the Government of India in the several Ministries are embodied in the notes* of which a printed copy is submitted herewith for the gracious perusal of His Highness.

K. Chengalaraya Reddy.

CHIEF MINISTER
in charge of current duties of the Dewan.

Bangalore,
31st March 1948.

14.14.997

D.S.N.

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Chief Minister & Dewan-in-charge.

Submitted

Draft put up, as instructed, for approval

(Chief Secy) 31/3/48

31.3.48.

(Chief Minr) 31/3/48

31/3/48

31/3/48

CONFIDENTIAL

NOTES OF DISCUSSIONS AT DELHI WITH THE MINISTRIES OF THE GOVERNMENT OF INDIA BETWEEN THE 13th AND THE 18th MARCH 1948.

I. Ministry of Agriculture.

As Mr. B. R. Sen, the Secretary, Ministry of Agriculture was on tour, the discussions were with Mr. Marar, Joint Secretary and Mr. Srivastava.

Securing an allotment of Sindhi cattle for the State.

1. Mr. Marar said that the question of getting Sindhi cattle from Pakistan Government and that the request of the Mysore Government would be favourably considered when the negotiations were successfully settled—perhaps in the course of a month.

Projected Serum Institutes in Bombay and Madras.

2. It was understood that there was no proposal of starting a Serum Institute in Bombay and that the proposal of the Madras Government to have a Serum Institute of their own was under examination by the Government of India. It was explained to Mr. Marar that Mysore has already got a well-equipped Serum Institute which has been supplying serum requirements of the neighbouring Provinces and States and that in case standing indents were placed with the Mysore Serum Institute, the Institute would be in a position to supply all requirements, in future, and that there may not be any real need for starting a Serum Institute in the neighbouring Province of Madras or Bombay. Mr. Marar noted our point of view and said that these aspects would be certainly kept in mind while examining the proposal of the Government of Madras.

Location of a Southern Regional Cattle breeding Station of the Government of India in Mysore.

3. The case for Mysore that the Southern Regional Station may be located in the State was urged before the Government of India. In view of the facilities offered and of the work which has been done in this direction in the State so far, our request is likely to receive favourable consideration.

Supply of Super phosphate.

4. Mr. Srivastava said that Madras Government appeared quite unwilling to part with their stocks, that the Central Government could not give any mandate to the Provincial authority in this respect and that they could only use their good offices with the Madras Government. A letter has been accordingly sent to Madras Government.

Supply of Ammonium Sulphate.

5. No portion of the Russian Sulphate of Ammonium is available for distribution to Mysore and there is no chance of our getting any supply from the present consignment. As a very special case, the Government of India agreed to divert 500 tons of Ammonium nitrate meant for Madras, subject to immediate cash payment and arrangements of transport from the Harbour within two-three days. This was accepted and the Government of India issued instructions accordingly to the concerned authorities in Madras.

Supply of tractors.

6. It was learnt that our demand for T.D.I. Type tractors had not been booked at all and that wheel type tractors for which we had placed an indent would be supplied by the Firm (Messrs. Volkart Bros.) "sometime in 1948". Mr. Srivastava kindly promised to give a high priority to our indent and that the tractors would be supplied to Mysore out of the next consignment.

Supply of High Speed Oil, Power kerosene and white kerosene.

7. Mr. Srivastava said that our requirements would be arranged to be met almost at once in view of the restoration of the 50 per cent cut which had been imposed sometime earlier due to short supplies.

II. Ministry of Commerce.

Grant of import licenses and the provision of Exchange facilities.

Questions relating to the grant of import licenses and the providing of adequate sterling and dollar exchange facilities were discussed with Mr. C. C. Desai, Secretary, Ministry of Commerce, Mr. V. Narahari Rao, Secretary, Finance Ministry, and Mr. G. R. Kamath, Chief Controller of Imports.

The inconvenience caused by the delay in the grant of import licenses was explained to the Central Government. As regards the import licenses for which we applied in respect of two teams of postillion horses and three riding horses as well as two Bentley cars and three Rolls Royce cars, for the Palace, the Commerce Ministry and the Chief Controller of Imports were pursuaded to agree to the grant of import licenses in the special circumstances of the case. The Chief Controller of Imports desired information whether sterling balances were available in the U.K. at our credit. The suggestion that all articles which might be imported for His Highness's personal use may be exempted from the operation of the Import Trade and Exchange Control Regulations of the Government of India was not accepted by the Ministry of Commerce as it would prove to be a very embarrassing precedent and exception. The matter is being taken up further with the Government of India.

There are a large number of articles which have been ordered by the Electrical Department. The three statements which the Chief Electrical Engineer had submitted to Government showing:

(*a*) the materials to be procured from the Dollar area,
(*b*) those to be procured from the Sterling area,
(*c*) and those to be procured by the Government Electric Factory,

have been left with the Chief Controller of Imports for checking up and for taking urgent further action in the matter. Similarly, in respect of the materials required by the P. W. Department, such as steel pipes, with accessories, marble block required for the statue of His Highness the late Yuvaraja, the particulars have been left with the Chief Controller of Imports, for urgent attention. Many of these applications were understood to be pending with the Deputy Chief Controller of Imports, Calcutta and with the Electrical Commissioner, Government of India, Simla. The Chief Controller of Imports promised to see that all these applications were disposed of urgently, by the issue of telegraphic reminders if necessary.

III. Ministry of Communications.

Starting ot an Airways service between Bangalore and Delhi by Mysore Government.

1. Matters relating to the projected Airways Services from Bangalore to Delhi and the starting of a Flying Club or Training School were discussed with Mr. V. K. R. Menon, Secretary, Ministry of Communications and Mr. Venkatachallan, Joint Secretary. The application of the Mysore Government for the starting of an Airways Service is under examination by the Communications Ministry in consultation with the Ministry of States and would be urgently examined by the Air Transport Licensing Board. The question of granting the usual subsidies to the flying club or training school is not likely to present any difficulty. The two Tiger Moth Planes, the loan of which was asked for from the Government of India for the services of the club are said to require a thorough overhauling and check up by the Aircraft Inspector of the Aviation Directorate who is stationed at Hindustan Aircraft before they can be used for flying.

Providing teleprinter facilities.

2. As regards the providing of teleprinter facilities for the speedy transmission of the news from Madras to Bangalore and

Mysore, the question was discussed partly at Delhi with Mr. V. K. R. Menon and Mr. Batra, Chief Engineer, Posts and Telegraphs and Mr. Natarajan, General Manager, Bombay Telephone District. Mr. Batra and Mr. Natarajan are proposing to go over to Bangalore on the 23rd March 1948 in connection with a scheme for the location of a Telephone factory in India and would further discuss these matters with us while at Bangalore on the 24th.

The Government of India did not see any serious objection to the existing procedure being continued in regard to the issue of wireless licenses in the retroceded area.

IV. Ministry of Defence.

Appointment of Chief Commandant, Mysore State Troops.

1. The subjects were discussed with Mr. H. M. Patel, Secretary, Ministry of Defence.

Mr. Patel said that the Government of India would be glad to spare the services of an experienced officer of the rank of a Brigadier in service for a period of one year on the terms indicated in their previous telegrams and that, in the meantime, he would be on the look-out for a suitable officer, pending the confirming of their request by the Government of Mysore.

Reorganisation of the Mysore State Troops.

2. Mr. Patel said that he would look into the proposals which have been sent to the Government of India for the Reorganisation of the Mysore State Troops and that we might expect a reply from the Government of India very soon.

When the question as to how the expenditure on defence in the State would be met in future, as Defence is one of the matters on which the State has acceded, Mr. Patel said that it was a matter for which provision would no doubt be made in the Draft Constitution Bill now under consideration. Mr. Patel felt that in any case, the expenditure which was at present being incurred by the State for defence would have to continue to be incurred by it, and that this question of the Central Government meeting the expenditure wholly or in part could be only in respect of the additional expenditure that an acceding State may find it necessary to incur in respect of Defence, with the concurrence of the Central Government.

Supply of Arms and Ammunition to Mysore State Troops.

3. Mr. Patel said that this was, to some extent, linked up with the proposals for the reorganisation of the Mysore State Troops and simultaneously with the communication of sanction in respect of the Reorganisation of the State Forces, the Government of India would take action to arrange for the supply of arms and ammunition and other equipment to the Forces.

Supply of Arms and Ammunition and other equipment for Armed Reserve Police, for Internal Security purposes.

4. The revised indent which had been sent by us to the Ministry of States had not yet been received in the Defence Ministry and Mr. Patel said that they would deal with it immediately on its receipt.

Location of R.I.A.F. Units in Bangalore.

5. Mr. Patel said that the final proposal for the location of the Units was still under examination by the Defence Ministry in consultation with the Air Forces and that we would hear from the Government of India in the course of the next month.

Military lands and buildings in the Retroceded Area.

6. It was pointed out that the military lands and buildings were in various scattered bits and that we would like the Army as well as the Air Force Units being located in a few compact areas —a step which was very desirable and convenient from the administrative point of view.

V. Ministry of Finance.

Subjects relating to this Ministry were discussed with Mr. V. Narahari Rao, Secretary to the Finance Ministry, and Mr. K. R. K. Menon, and Mr. Satyavadi of Central Board of Revenue.

Income-tax on Mysore Coffee.

1. The Indian Planters' Association, Chikmagalur, had sent a Delegation composed of Mr. S. N. Ramanna, Vice-Chairman, Indian Coffee Board, and Mr. U. K. Lakshmana Gowda, Coffee Planter to meet the Hon'ble Minister for Finance and to represent the case of the Coffee planters before him, and before the Secretary, Ministry of Finance and the Central Board of Revenue. The Delegation presented a Memorandum showing how it was unjust on the part of the Commissioner of Income-tax, Madras, to have proceeded to levy income-tax in respect of coffee grown in Mysore and cured in Mangalore, in the four years ending 1945-46. On behalf of the Government, the request of the Delegation was fully supported by us, at more than one discussion on the subject; and our recommendation in this behalf may be expected to be favourably considered by the Central Board of Revenue and by the Ministry of Finance.

Excise Duty on Coffee.

2. The Coffee Delegation which waited on the Hon'ble Finance Minister also pressed for the abolition of the recent enhancement of Excise Duty on coffee and presented a Memorandum for the consideration of the Government of India. The matter is engaging their serious attention.

Administration of Tobacco Excise Duty Act in the retroceded area.

3. Mr. Narahari Rao said that there would be no difficulty for the Mysore Government taking over the administration of the Tobacco Excise Duty Act in the Retroceded Area and appointing the Excise Commissioner in Mysore as the authority to administer the provisions of the Act. The Government of India would have no objection to keep 3 or 4 officials of the Central Excise at Bangalore for a period of two or three months if the Government of Mysore consider it necessary to train the Mysore officials and to facilitate the smooth hand-over in the administering of the Act.

Provision of cash balance in the Civil Station Treasury for the requirements of the Government of India.

4. Mr. Narahari Rao said that the suggestion of the Mysore Government had been examined and that a letter was under issue providing the necessary facilities at the Civil Station Treasury.

It was understood that the Government of India would places Rs. 25 lakhs as a permanent advance with us and request us to send telegraphic instructions about the net amount spent fortnightly to the Accountant-General, Madras, who would issue instructions by telegram for recoupment of the amount. The detailed procedure would be fixed in consultation with the Accountant-General, Madras.

Sterling and Dollar Exchange facilities.

5. These facilities were required in connection with the import of articles. Mr. Narahari Rao said that facilities to the extent possible would be readily given on application, but generally speaking it was easier to arrange Sterling Exchange facilities in cases of essential need or requirements.

VI. Ministry of Transport.

Mr. Sukhtankar, Secretary, Ministry of Transport, was on tour and the subjects were, therefore, discussed with Mr. Chakravarthi, Joint Secretary.

Requirements of the Mysore State Railway.

1. The urgent requirements of the Mysore State Railway in respect of locos, wagons and spare parts, etc., have already been communicated to the Railway Board by Mr. J. N. Nanda, the Railway Adviser. Mr. Nanda who is now in Delhi in connection with the work of the Indian Railway Board Enquiry Committee has been requested to contact the Railway Board as well as the

Ministry of Transport and see to the urgent compliance with our indents and with our request for providing an adequate number of wagons and a suitable route for the export of copra to its natural markets in India.

Bhatkal Harbour

2. The Committee recently constituted by the Government of India to go into the question of the development of major ports on the West Coast has already started its work and the case of Mysore for Bhatkal Harbour would have to be presented urgently for the consideration of the Committee.

VII. Ministry of Food.

Food position in general.

1. From the discussions with the Food Ministry, it was understood that tentatively 6,000 tons of rice and a like quantity of wheat have been allotted for the next quarter and that every effort would be made by the Government of India to place the balance of allotment at our disposal when the stuff should become available.

Allocations for the next quarter have been drawn up and the same have been sent to Mysore Government. It was said that it was unlikely that any additional quantity of wheat would be given but if the situation were to improve, the request of the Mysore Government for additional allotment of wheat would be considered.

Regarding the relief to Mysore Government in respect of subsidy on the cost of food-grains, the matter was understood to be one which concerned primarily the Finance Ministry. The matter may be taken up with the Finance Ministry and our case for the grant of relief urged for consideration.

VIII. Ministry of Industry and Supply.

The subjects were discussed with Mr. S. A. Venkataraman, Secretary, Ministry of Industry and Supply.

Questions relating to Sericulture :— Expenditure on Cocoon Control Organisation.

1. (*a*) The Government of India is seen to have sent a reply on 15th December 1947, turning down the request mainly on the ground that the organisation was for the benefit of Mysore and that the organisation was set up by Mysore Government without the prior sanction or approval of the Government of India. It was pointed out that this was not in accordance with what had transpired when the scheme was put into operation and that the setting up of an organisation was the direct consequence of the decision of the Mysore Government to supply raw silk of parachute quality, at a fair and reasonable price and that these decisions were taken in joint consultations with the Government of India. It was suggested that we might send a detailed letter again pointing out the previous history and making out a case why the Government of India should meet the cost of the organisation.

Ex-gratia payment to the Vellum Parachute Silk Company.

2. It is seen that on a request made by Mr. V. Sundara Murthy, President of the Company to the Hon'ble Minister of Industry and Supply, a letter has already been sent to him on the 4th February 1948 stating that the Government of India cannot accept the liability for the loss sustained by the Company. It seems rather useless to pursue the matter with the Government of India.

Bonus claims against cocoons supplied to Kollegal Filatures.

3. The last letter in this connection sent to Government of India was in November 1947. The file is being traced by the Ministry who have promised to send a reply very early.

Protection to Silk Industry.

4. It was understood that with the concurrence of the Ministry of Commerce it is proposed to continue the protection at the existing level for another year to the end of March 1949 and that a Bill to that effect is being introduced at the current session of the Dominion Parliament. The further continuance of protection to the industry, the level at which the protection may have to be given, the period for which protection is needed, etc., were questions which would, in due course, be referred to the Tariff Board for examination and for making recommendations.

Purchase of ten tons of D.D.T. for Anti-malarial work.

5. It was understood that the Notification published by the Director-General of Disposals calling for tenders in respect of 145 tons of D.D.T. which is available at Panaghar (Bengal) has since been withdrawn as all this stuff is required by the Defence Ministry. A special request has been made by the Industries and Supplies Ministry for the supply of at least 30 tons out of the above quantity for meeting the most essential requirements of the Civil Departments and States and in that quantity of 30 tons, the requirements of ten tons for Mysore is also included. Mr. Venkataraman said that they would have the matter settled in consultation with the Defence Ministry and arrangements would be made to supply the quantity at a fair price that is, at the same rate at which it will be supplied to other priority indentors. This may work out between Rs. 2 to 3 per lb.

Increased quota of paper for the Government Stationery Depot, Bangalore

6. It was understood that an enquiry had been made to Titaghar Paper Mills asking whether certain quantities of paper of specified varieties were available; and on receipt of a reply from them efforts would be made to give an additional allotment to the extent possible during March and April.

It was also learnt that the proposal to decontrol paper was under urgent consideration; and if it was decontrolled, the question of giving quotas would not arise.

Purchase of road-making machinery.

7. Priorities in respect of road rollers are decided in the Transport Ministry and they have been requested to give high priorities to the requirements of the Government of Mysore. As regards the delay in supplying the balance of the requirements such as concrete mixers, stone crushers, etc., the concerned firms have been urgently reminded by telegram to expedite deliveries.

Recovery of Income-tax in respect of payments made to Mr. W. D. Pawley by H. A. L.

8. The Ministry for Industry and Supply appreciated the justice of our claiming to recover income-tax in this case. The proposed letter to the Government of India may be issued immediately so that the matter may be pressed to a quick and satisfactory settlement.

IX. Ministry of Works, Power and Mines.

Increased quota of petrol.

1. After a detailed discussion with Mr. Gokhale, Secretary, Ministry of Works, Power and Mines, and Mr. Puri who is in charge of this work in the Ministry of Transport, it was understood that owing to acute shortage in the country our demands could not be met in full or even substantially, but that our needs, for food transport would be met and that the needs of other essential transport would be met to the extent possible. A delegation from Madras was arriving in a day or two to press for additional quota of petrol for food transport in the Province and decision would be taken immediately thereafter regarding the additional quantity to be given to Madras and Mysore. The decision will be communicated to Mysore in the course of the week. If there is no such communication, we might send an express telegram referring to the discussions which took place in Delhi.

Possibilities of acquiring a suitable building at Delhi.

2. Mr. Gokhale said that the position in regard to this matter was extremely difficult, that many of the Palaces which Princes constructed at Delhi had been taken over by the Central Government for temporary location of Embassies and Legations from foreign countries and that other large buildings had been taken up for providing accommodation to refugees. He promised however that he would have the information checked up once again and be in a position to furnish some specific information in the course of a week or two.

For perusal.
If approved, copies of these Notes will be circulated to the Ministers for info and sent to the Secs. for further action.

(Chief Min[r] & Dewan) UO 24/3/48

CONFIDENTIAL

Yes KLa 24/3/48 25/3/48

Office of the Chief Minister
No 3115
Date 25.3.48

Notes of discussions at Delhi with the Ministries of the Government of India between the 13th and the 18th March 1948.

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1. Starting of an Airways service between Bangalore and Delhi by Mysore Govt.

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Mr. Patel said that the Government of India would be glad to spare the services of an experienced officer of the rank of a Brigadier in service for a period of one year on the terms indicated in their previous telegrams and that, in the meantime, he would be on the look-out for a suitable officer, pending the confirming of their request by the Government of Mysore.

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Subjects relating to this Ministry were discussed with Mr. V. Narahari Rao, Secretary to the Finance Ministry and Mr. K.R.K. Menon, and Mr. Satyavadi of Central Board of Revenue.

1. Incometax on Mysore Coffee.

The Indian Planters' Association, Chikmagalur had sent a Delegation composed of Mr. S.N.Ramanna, Vice-Chairman, Indian Conffee Board, and Mr. U.K. Lakshman Gowda, Coffee Planter to meet the Hon'ble Minister for Finance and to represent the case of the Coffee planters before him, before the Secretary, Ministry of Finance and the Central Board of Revenue. The Delegation presenteda Memorandum showing how it was unjust on the part of the Commissioner of Income-tax, Madras to have proceeded to levy incometax in respect of coffee grown in Mysore and cured in Mangalore, in the four years ending 1945-46. On behalf of the Government, the request of the Delegation was fully supported by us, at more than one discussion on the subject; and our recommendation in this behalf may be expected to be favourably considered by the Central Board of Revenue and by the Ministry of Finance.

2. Excise Duty on Coffee.

The Coffee Delegation which waited on the Hon'ble Finance Minister also pressed for the abolition of the recent enhancement of Excise Duty on coffee and presented a Memorandum for the consideration of the Government of India. The matter is engaging their serious attention.

3. Administration of Tobacco Excise Duty Act in the retroceded area.

Mr. Narahari Rao said that there would be no difficulty for the Mysore Government taking over the administration of the Tobacco Excise Duty Act in the Retroceded Area and appointing the Excise Commissioner in Mysore as the authority to administer the provisions of the Act. The Government of India would have no objection to keep 3 or 4 officials of the Central Excise at Bangalore for a period of two or three months if the Government of Mysore consider it necessary, to train the Mysore officials and to facilitate the smooth hand-over in the administering of the Act.

4. Provision of cash balance in the Civil Station Try, for the requirementsof the Government of India.

Mr. Narahari Rao said that the suggestion of the Mysore Government had been examined and that a letter was under issue providing the necessary facilities at the Civil Station Treasury.

It was understood that the Government of India would place Rs. 25 lakhs as a permanent advance with us and request us to send telegraphic instructions

about the net amount spent fortnightly to the Accountant General, Madras, who would issue instructions by telegram for recoupment of the amount. The detailed procedure would be fixed in consultation with the Accountant General Madras.

5. Sterling and Dollar Exchange facilities.

These facilities were required in connection with the import of articles. Mr. Narahari Rao said that facilities to the extent possible would be readily given on application, but generally speaking it was easier to arrange sterling Exchange facilities in cases of essential need or requirements.

VI. Ministry of Transport:

Mr. Sukhtankar, Secretary, Ministry of Transport was on tour and the subjects were therefore discussed with Mr. Chakravarthi, Joint Secretary.

1. Requirements of the Mysore State Ry.

The urgent requirements of the Mysore State Railway in respect of locos, wagons and spare parts, etc., have already been communicated to the Railway Board by Mr. J.N. Nanda, the Railway Adviser. Mr. Nanda who is now in Delhi in connection with the work of the Indian Railway Board Enquiry Committee has been requested to contact the Railway Board as well as the Ministry of Transport and see to the urgent compliance with our indents and with our request for providing an adequate number of wagons and a suitable route for the export of copra to its natural markets in India.

2. Bhatkal Harbour.

The Committee recently constituted by the Government of India to go into the question of the development of major ports on the West Coast has already started its work and the case of Mysore for Bhatkal Harbour would have to be presented urgently for the consideration of the Committee.

VII. Ministry of Food:

1. Food position in general.

From the discussions with the Food Ministry, it was understood that tentatively 6000 tons of rice and a like quantity of wheat have been allotted for the next quarter and that every effort would be made by the Government of India to place the balance of allotment at our disposal when the stuff should become available.

Allocations for the next quarter have been drawn up and the same have been sent to Mysore Government. It was said that it was unlikely that any additional quantity of wheat would be given but if the situation were to improve the request of the Mysore Government for additional allotment of wheat would be considered.

Regarding the relief to Mysore Government in respect of subsidy on the cost of food grains, the matter was understood to be one which concerned primarily the Finance Ministry. The matter may be taken up with the Finance Ministry and our case for the grant of relief urged for consideration.

VIII Ministry of Industry and Supply:

The subjects were discussed with Mr.S.A. Venkataraman, Secretary, Ministry of Industry and Supply.

1. Questions relating to Sericulture:
   a) Expenditure on Cocoon Control Organisation.

The Government of India is seen to have sent a reply on 15th December 1947 turning down the request mainly on the ground that the organisation was for the benefit of Mysore and that the organisation was set up by Mysore Government without the prior sanction or approval of the Government of India. It was pointed out that this was not in accordance with what had transpired when the scheme was put into operation and that the setting up of an organisation was direct consequence of the decision of the Mysore Government to supply raw silk of parachute quality, at a fair and reasonable price and that these decisions were taken in joint consultations with the Government of India. It was suggested that we might send a detailed letter again pointing out the previous history and making out a case why the Government of India should meet the cost of the organisation.

2. Exgratia payment to the Vellum Parachute Silk Company.

It is seen that on a request made by Mr.V. Sundara Murthy, President of the Company to the Hon ble Minister of Industry and Supply, a letter has already been sent to him on the 4th February 1948 stating that the Government of India cannot accept the liability for the loss substained by the Company. It seems rather useless to pursue the matter with the Government of India.

3. Bonus claims against cocoons supplied to Kollegal Filatures.

The last letter in this connection sent to Government of India was in November 1947. The file is being traced by the Ministry who have promised to send a reply very early.

4. Protection to Silk Industry.

It was understood that with the concurrence of the Ministry of Commerce it is proposed to continue the protection at the existing level for another year to the end of March 1949 and that a Bill to that effect is being introduced at the current session of the Dominion Parliament. The further continuance of protection to the industry, the level at which the protection may have to be given, the period for which protection is needed etc., were questions which would in due course, be referred to the Tariff Board for examination and for making recommendations.

5. Purchase of ten tons of D.D.T. for Anti-malarial work.

It was understood that the Notification published by the Director General of Disposals calling for tenders in respect of 145 tons of D.D.T. which is available at Panaghar (Bengal) has since been withdrawn as all this stuff is required by the Defence Ministry. A special request has been made by the Industries and Supplies Ministry for the supply of at least 30 tons out of the above quantity for meeting the most essential requirements of the Civil Departments and States and in that quantity of 30 tons, the requirements of ten tons for Mysore is also included. Mr. Venkataraman said that they would have the matter settled in consultation with the Defence Ministry and arrangements would be made to supply the quantity at a fair price that is at the same rate at which it will be supplied to other priority indentors. This may work out between Rs.2 to 3 per lb.

6. Increased quota of paper for the Government Stationery Depot, Bangalore.

It was understood that an enquiry had been made to Titaghar Paper Mills asking whether certain quantities of paper of specified varieties were available; and on receipt of a reply from them efforts would be made to give an additional allotment to the extent possible during March and April.

It was also learnt that the proposal to decontrol paper was under urgent consideration; and if it was decontrolled the question of giving quotas would not arise.

7. Purchase of Road making machinery.

Priorities in respect of road rollers are decided in the Transport Ministry and they have been requested to give high priorities to the requirements of the Government of Mysore. As regards the delay in supplying the balance of the requirements such as concrete mixers, stone crushers etc., the concerned firms have been urgently reminded by telegram to expedite deliveries.

8. Recovery of Income-tax in respect of payments made to Mr. W.D.Pawley by H.A.L.

The Ministry for Industry and Supply appreciated the justice of our claining to recover Incometax in this case. The proposed letter to the Government of India may be issued immediately so that the matter may be pressed to a quick and satisfactory settlement.

IX. Ministry of Works, Power and Mines:

1. Increased quota of petrol.

After a detailed discussion with Mr. Gokhale, Secretary, Ministry of Works, Power and Mines and Mr. Puri who is in charge of this work in the Ministry of Transport, it was understood that owing to acute shortage in the country our demands could not be met in full or even substantially, but that our needs, for food transport would be met and that the needs of other essential transport would be met to the extent possible. A delegation from Madras was arriving in a day or two to press for additional quota of petrol, for food transport in the Province and decision would be taken immediately thereafter regarding the additional quantity to be given to Madras and Mysore. The decision will be communicated to Mysore in the course of the week. If there is no such communication, we might send an express telegram referring to the discussions which took place in Delhi.

2. Possibilities of acquiring a suitable building at Delhi.

Mr. Gokhale said that the position in regard to this matter was extremely difficult, that many of the Palaces which Princes constructed at Delhi had been taken over by the Central Government for temporary location of Embassies and Legations from foreign countries and that other large buildings had been taken up for providing accommodation to refugees. He promised however that he would have the information checked up once again and be in a position to furnish some specific information in the course of a week or two.

No 7030
CB

29th March 8

The Superintendent,
Government Printing,
Bangalore.

I am directed to request you to print and supply one hundred (100) copies each of (1) the Proceedings of a meeting of the Secretaries to Government and Heads of Departments and (2) the notes of Discussions held with the Government of India, the approved ~~xx~~ proofs of which have been sent to you separately.

I have the honour to be,
Sir,
Your most obedient servant,

29/3/48

For Chief Secretary to Government.

Subs. Draft & fair put up for approval.

29.3.48

29/3/48

Submitted for approval

before getting final Copies

printed.

(Chief Secy) 29/3/48

29.3.48.

29.3.48

29/3

(Sent to Press)